

INFORMATION LETTER

Not for
Publication

NATIONAL CANNERS ASSOCIATION

For Members
Only

No. 1367

Washington, D. C.

December 15, 1951

1952 Walsh-Healey Exemption

The Department of Defense has transmitted to the Secretary of Labor a request for an extension through 1952 of the present Walsh-Healey exemption. The current exemption, which allows the Quartermaster Corps to omit Walsh-Healey Act stipulations from contracts for designated canned foods, expires on December 31.

Good Management Is Reason For Low-Cost Canned Foods

Americans are eating better today than they ever have before, and are paying less for canned fruits and vegetables, in comparison with what they pay for almost everything else they buy, and the reason is good management.

So stated Fred C. Heinz, Vice President of N.C.A., in principal addresses before the annual conventions of the Maine Canners Association on December 4 and the Association of New York State Canners on December 6.

All along the line, Mr. Heinz pointed out, prices have gone up. The cost of raw materials, pay for canning plant personnel, and costs of containers, packaging, transportation, and merchandising—all have risen in the past three years.

"And yet, somehow, when we put all these ingredients together, put the food in the can and slap the label on it, we find that the price has gone

(Please turn to page 407)

SR 8 to CPR 55, Canned Spinach

SR 8 to CPR 55, issued and effective December 14, affords processors of canned spinach an additional optional method for pricing canned spinach. SR 8 authorizes spinach canners to establish as a ceiling price for each item of canned spinach the weighted average sales price for each item during the period September 1-30. Copies of SR 8 are being mailed by N.C.A. to spinach canners.

List of Speakers for N.C.A. Convention Sessions Completed; Representatives of PMA, QMC, and OPS To Speak on Controls

The list of speakers for the General Sessions of the 1952 Convention of the National Canners Association was completed this week with the announcement that S. R. Smith, Director of the Fruit and Vegetable Branch, Production and Marketing Administration, U. S. Department of Agriculture, and Col. W. E. Pheris, Procurement Division, Office of the Quartermaster Corps, will appear on the program for Saturday afternoon, January 19. This completes the roster of government control officials featured for that session, the other being George L. Mehren, Acting Director of the Food and Restaurant Division of the Office of Price Stabilization, previously announced.

Mr. Smith has announced as the title of his address: "The Canners Have Done It Again." Col. Pheris is expected to report the Army's requirements for 1952, and Mr. Mehren the pricing program for canned foods.

Appearance of these three speakers will immediately follow a brief business session of the Association at which will be heard the report of the Resolutions Committee by Henry P. Taylor, Chairman, and the installations of the new 1952 N.C.A. officers.

The Opening General Session will be held Saturday morning, January 19, with President H. J. Barnes presiding. First order of business will be the report of the Nominating Committee, John F. McGovern, Chairman, after which the two guest speakers (previously announced) will be heard—Senator Wallace F. Bennett of Utah, and Ralph S. Trigg, Deputy Administrator of the Defense Production Administration.

Renegotiation Board Offices

Renegotiation of defense contracts under the Renegotiation Act of 1951 will be handled through regional offices to be established in New York, Washington, Chicago, and Los Angeles, it was announced this week by John T. Koehler, chairman of the Renegotiation Board.

The regional offices will work directly with contractors in proceedings to recover excessive profits from defense contracts and subcontracts, and will be placed in operation as soon as possible after the start of 1952. The regional offices will be directly under the supervision of the Board.

Canners Must Recalculate Borrowed Ceiling Prices

Canners of fruits and vegetables who borrowed ceiling prices from competitors under the original provisions of CPR 55 and CPR 56 must now recalculate their borrowed prices under amended provisions of those orders, according to an interpretation by OPS Counsel, issued December 13. Follow-

(Please turn to page 407)

Tin Mills Apprehensive Over Tin Supply Situation

The Tin Plate Advisory Committee told the National Production Authority this week that the industry is apprehensive over the lack of definite information on the availability of tin for use during the second quarter of 1952 and thereafter.

The apprehension was expressed after NPA officials said they have not received the necessary information from government agencies concerned on the amount of tin that may be made available for use during the second quarter.

The meeting on December 12 was the second within a month held by NPA with the Tin Plate Advisory Committee.

Because of the need for adequate lead time in producing tin plate, committee members told NPA that the tin plate industry wants some assurance that it will receive sufficient tin to produce the various tin mill products permitted under NPA regulatory orders.

The committee voiced concern over the fact that the demand for secondary

(Please turn to page 408)

Schedule of Principal Events of the 1952 Convention

(Details announced to date; subject to revision and addition)

Wednesday, January 16

- 9:30 a.m.—5 p.m.—Meeting of N.C.A. Scientific Research Committee, Pine Room, Hotel Traymore
- 10 a.m.—Meeting of N.C.A. Legislative Committee, Chippendale Room, Hotel Traymore
- 10 a.m.—Meeting of N.C.A. Home Economics Committee, Mandarin Room, Hotel Traymore
- 11 a.m.—Meeting of N.C.A. Convention Committee, Room 1007, Hotel Traymore
- 2 p.m.—Meeting of N.C.A. Procurement Committee, Chippendale Room, Hotel Traymore
- 6 p.m.—Dinner meeting of N.C.A. Budget Committee, Room 1007, Hotel Traymore

Thursday, January 17

- 9:30 a.m.—Meeting of N.C.A. War Mobilization Committee, Chippendale Room, Hotel Traymore
- 12:30 p.m.—Luncheon meeting of N.C.A. Claims Committee, Pine Room, Hotel Traymore
- 12:30 p.m.—Luncheon meeting of N.C.A. Administrative Council, Mandarin Room, Hotel Traymore

Friday, January 18

- 10 a.m.—Morning Session of N.C.A. Board of Directors, Rose Room, Hotel Traymore
- 12:30 p.m.—Luncheon, N.C.A. Board of Directors, Rose Room, Hotel Traymore
- 2 p.m.—Afternoon Session of N.C.A. Board of Directors, Rose Room, Hotel Traymore
- 4:30 p.m.—Meeting of Forty Niners Board of Directors, Park Lounge, Claridge Hotel
- 5 p.m.—Annual Meeting of The Forty Niners, Park Lounge, Claridge Hotel
- 5 p.m.—Meeting of N.C.A. Resolutions Committee, Parlor A, Hotel Traymore
- 5:30 p.m.—Forty Niners Cocktail Party and Reception (for members and guests only), Park Lounge, Claridge Hotel
- 6:30 p.m.—Dinner for State Secretaries, Mandarin Room, Hotel Traymore
- 7:30 p.m.—Past Presidents Dinner, C.M.&S.A., West Room, Claridge Hotel

Saturday, January 19

- 9 a.m.—Meeting of N.C.A. Nominating Committee, Stratosphere Room, Hotel Traymore
- 9:30 a.m.—Business meeting of N.F.B.A. (morning session) Carolina Room, Chalfonte-Haddon Hall
- 10 a.m.—Opening General Session of N.C.A., American Room, Hotel Traymore
- 10 a.m.—5:30 p.m.—Canning Machinery and Supplies Exhibit, Convention Hall
- 1:30—5:30 p.m.—N.C.A. Raw Products Conference, Rose Room, Hotel Traymore
- 2 p.m.—Closing General Session of N.C.A., American Room, Hotel Traymore
- 2 p.m.—N.C.A. Canning Problems Conference, Ballroom, Ritz-Carlton Hotel
- 2 p.m.—Business meeting of N.F.B.A. (afternoon session), Carolina Room, Chalfonte-Haddon Hall
- 5 p.m.—Distribution of Attendance Awards by C.M.&S.A., Convention Hall
- 5 p.m.—Meeting of N.C.A. Labeling Committee, Pine Room, Hotel Traymore

- 6 p.m.—Old Guard Cocktail Party and Smorgasbord, Claridge Hotel
- 7 p.m.—N.C.A. Research Advisory Smoker, Club Room, Hotel Traymore
- 7 p.m.—Dinner, N.C.A. Labeling Committee, Chippendale Room, Hotel Traymore
- 8:30 p.m.—N.C.A. Raw Products Smoker, Rose Room, Hotel Traymore

Sunday, January 20

- 8:30 a.m.—Breakfast meeting of N.C.A. Raw Products Committee, Chippendale Room, Hotel Traymore
- 9:30 a.m.—N.C.A. Canning Problems Conference, American Room, Hotel Traymore
- 10 a.m.—Meeting of N.C.A. Statistics Committee, Pine Room, Hotel Traymore
- 10 a.m.—Annual business meeting of C.M.&S.A., Room B, Convention Hall
- 1—5:30 p.m.—C.M.&S.A. Exhibit, Convention Hall
- 1:30—5:30 p.m.—N.C.A. Raw Products Conference, Rose Room, Hotel Traymore
- 2 p.m.—N.C.A. Canning Problems Conference, American Room, Hotel Traymore
- 2:30 p.m.—N.C.A. Fishery Products Conference, Stratosphere Room, Hotel Traymore
- 5 p.m.—Distribution of Attendance Awards by C.M.&S.A., Convention Hall
- 8:30 p.m.—Victor Herbert Musicales, sponsored by C.M.&S.A., Warner Theater, Boardwalk (tickets available from exhibitors)

Monday, January 21

- 9:30 a.m.—12 M.—N.C.A. Tomato Products Meeting, Stratosphere Room, Hotel Traymore
- 10 a.m.—5:30 p.m.—C.M.&S.A. Exhibit, Convention Hall
- 10:30 a.m.—Meeting of Canning Industry Research, Inc., Chippendale Room, Hotel Traymore
- 1 p.m.—Meeting of National Kraut Packers Association, Chippendale Room, Hotel Traymore
- 5 p.m.—Distribution of Attendance Awards by C.M.&S.A., Convention Hall
- 7 p.m.—Young Guard Banquet and Entertainment, American Room, Hotel Traymore
- 7 p.m.—Annual N.F.B.A. Banquet, Grand Ballroom, Convention Hall

Tuesday, January 22

- 10 a.m.—5:30 p.m.—C.M.&S.A. Exhibit, Convention Hall
- 12:15 p.m.—Luncheon Meeting, National Meat Canners Association, Rutland Room, Haddon Hall
- 5 p.m.—Distribution of Attendance Awards by C.M.&S.A., Convention Hall
- 7:30 p.m.—Captain's Dinner (dinner dance), sponsored by C.M.&S.A., Colonial Ballroom, Chalfonte Hotel
- 9 p.m.—Shore Party, sponsored by C.M.&S.A., Caribbean Isle, Haddon Hall

Wednesday, January 23

- 10 a.m.—5:30 p.m.—C.M.&S.A. Exhibit, Convention Hall
- 5 p.m.—Distribution of Attendance Awards, Convention Hall

DEFENSE

Direction 2 to M-25

Can manufacturers have been directed to satisfy current demands for metal cans first and then to fill carry-over requirements on a pro-rata basis.

Direction 2 to M-25 was issued by the National Production Authority December 12. It provides:

"No can manufacturer shall fill in any calendar quarter any order representing can requirements for any carryover quota that will delay or displace orders representing the can requirements for that calendar quarter under NPA directives and DO-rated orders, or for the basic quarterly quota or quotas of all of his customers.

"Whenever in any calendar quarter a can manufacturer is permitted to fill orders representing can requirements for a carryover quota or quotas, he shall schedule his operations and select for placement in his production schedule the orders (or portions of orders) representing his customers' can requirements for their carryover quota or quotas so that cans available will be proportionately distributed over all such requirements."

Under M-25, all unused 1951 quotas will be void after December 31. It would appear, therefore, that Direction 2 will have no effect on distribution of metal cans until the start of the second quarter of 1952.

NPA said that Direction 2 is intended "to insure the most equitable distribution of the limited quantities of metal cans needed to pack various products."

SR 17—Capehart Adjustment

Rules under which certain manufacturers may apply for Capehart adjustment of ceiling prices for commodities made by a unit of a business were revised December 10. Amendment 1 to SR 17 to CPR 22 permits the Director of Price Stabilization to accept separate applications on a unit or division of a company's business, even though that unit and other units of the business manufacture commodities in the same industrial classification.

OPS pointed out that SR 17 permitted a manufacturer to apply for ceiling price adjustments in either of two ways. One way is on an over-all basis for his entire company. The other is on a unit of his business, provided that no more than 10 percent of that unit's production may be of commodities in the same industrial

classification, as commodities produced in other units of his business.

Amendment 1 to SR 17 permits manufacturers to file for permission to adjust their ceiling prices on commodities produced in a unit of their business, which meet requirements of SR 17 even when there is an overlapping of commodities in the "catch-all" classification.

Holiday Food Packages

Manufacturers who pack special holiday food packages will be permitted to take a 5 percent markup over 1950 on the ceiling prices of the items included in the package, plus the actual cost of packaging. The authorization is covered in GOR 22, issued December 10.

Canners Must Recalculate

(Concluded from page 405)

ing is the full text of Interpretation 1 to CPR 55 and CPR 56:

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulations 55 and 56, Interpretation 1]

CPR 55—CEILING PRICES FOR CERTAIN PROCESSED VEGETABLES OF THE 1951 PACK

CPR 56—CEILING PRICES FOR CERTAIN PROCESSED FRUITS AND BERRIES OF THE 1951 PACK

INT. 1—RECALCULATION OF CEILING PRICES UNDER SECTION 4, AS AMENDED

The attention of the Office of Price Stabilization has been called to the doubt that exists in the canning industry as to whether recalculation of ceiling prices is required because of the changes made in section 4 of CPR 55 by Amendment 5 and in section 4 of CPR 56 by Amendment 6.

Section 4 of both CPR 55 and 56 as originally issued contained pricing methods for items not sold during the base period that had a very limited use. As a result, a great many processors either borrowed ceilings from other processors under the provisions of section 6 of the regulations or obtained individual authorization of ceiling prices under the provisions of section 7 of the regulations.

Amendment 5 to CPR 55 and Amendment 6 to CPR 56 completely revised section 4 and provided pricing methods that eliminated in nearly every case the necessity for borrowing ceiling prices or securing individual authorization of ceiling prices.

Processors who determined ceiling prices for items by using borrowed prices or who obtained individual authorization of ceiling prices prior to October 20, 1951, the effective date of Amendment 5 to CPR 55 and Amendment 6 to CPR 56, and who are now able to calculate ceiling prices for these items under the provisions of section 4, as amended, are required to recalculate such ceiling prices under that section. In addition, processors who calculated their ceiling prices under section 4 prior to the amendment are now required to recalculate such ceiling prices under the amendment. Reports previously filed by such processors should be amended to show the new ceiling prices.

HAROLD LEVENTHAL,
Chief Counsel,
Office of Price Stabilization.

December 13, 1951.

N.C.A. Speakers

(Concluded from page 405)

down 2 percent in the same period," Mr. Heinz said.

Speaking of the problems and accomplishments of the canning industry, Mr. Heinz stated:

"There is no doubt in my mind that we are going to go ahead as much in the next 50 years as we have in the past 50. It is probable that the techniques of 1951 will seem as antiquated to us some day as the cracker barrel does today.

"Because of our research, we are on the verge of discoveries which will greatly simplify our basic problem—that of processing food so that it will keep indefinitely without elaborate precautions.

"Most important of all to the American husband, we are constantly in the midst of research to improve the taste of the foods we process. If you have ever seen a child, who has no prejudices and is about as fair a judge as we could find, if you have ever seen a child licking his lips over a spoonful of strained lamb soup, I think you will agree that we have succeeded pretty well in pleasing the palate as well as the purse."

President Barnes Speaks

Canned fruits and vegetables will be the housewife's "best buy" again in 1952, it was asserted this week by H. J. Barnes, President of N.C.A.

In a statement on the 1952 outlook for canned foods, presented at the annual convention of the Ohio Canners Association, Mr. Barnes cited government reports showing that despite all-time high consumer incomes, retail prices of canned fruits and vegetables are declining.

STATISTICS

1951 Pack of Lima Beans

The 1951 pack of canned fresh lima beans amounted to 3,278,361 actual cases as compared with last year's pack of 3,591,173 cases, according to a report by the N.C.A. Division of Statistics.

On the basis of 24/2's, the 1951 pack amounted to 2,950,000 cases as compared with 3,229,000 cases in 1950.

Following is a summary of the 1950 and 1951 packs in actual cases by varieties and areas:

	1950	1951
	(actual cases)	
Maryland and Delaware:		
Green Limas:		
Midget and tiny.....	257,318	220,451
Small.....	517,527	419,731
Medium.....	235,861	92,769
Large.....		
Mixed.....	114,003	112,810
Green and white.....	504,680	469,922
White.....	14,871	6,391
Fordhooks.....	5,265	9,701
Total.....	1,669,525	1,331,775
Eastern states:		
Green limas:		
Midget and tiny.....	36,140	45,632
Small.....	136,204	146,254
Medium.....	99,274	83,874
Large.....	54,950	23,274
Mixed.....	44,516	93,025
Green and white.....	243,855	190,156
White.....	38,536	88
Fordhooks.....	31,441	6,325
Total.....	704,916	588,628
Western states:		
Green limas:		
Midget and tiny.....	60,210	70,817
Small.....	137,874	132,004
Medium.....	124,684	105,881
Large.....	9	2,794
Mixed.....	532,535	496,007
Green and white.....	324,161	349,986
White.....	7,331	3,577
Fordhooks.....	29,929	176,892
Total.....	1,216,732	1,357,938
U. S. Total.....	3,591,173	3,278,361

Eastern states include Ark., Mich., N. J., N. Y., Pa., Ohio, Tenn., and Va. Western states include Calif., Colo., Ill., Ind., Kans., Minn., Nebr., Okla., Tex., Utah, Wash., and Wis.

Tin Mills Apprehensive

(Concluded from page 405)

tin mill products has slackened. Supplies of these products have backed up at the warehouse level and are now backing up at the mill level, NPA was told.

Several committee members told NPA that the tin plate industry is planning for long-range conservation of tin through the use of 1.00 pound

instead of 1.25 pound coatings and through the use of differential coated plate.

It was pointed out that the results of time tests on the shelf-life of products packed in tin plate with the suggested lighter coatings have not yet been completed. When these tests are finished to the satisfaction of canners and can manufacturers, a committee member said, the industry will be able to provide tin plate with lighter tin specifications.

The committee was informed that NPA's Tin Plate Section has recommended that 7,725 gross tons of pig tin be allocated for the second quarter of 1952 on the assumption that there will be no change in the present restrictive orders on tin, and based on the same export program determination and product pattern as was established for the first quarter. The first quarter program determination amounted to 7,755 gross tons of tin.

SUPPLIES

Tin Savings Reported Possible With New Differential Coating

The production and use of "differential coated electrolytic tin plate" are advancing beyond the experimental stages of development, it was stated recently by J. J. Munns, vice president of the Weirton Steel Company.

The new product, Mr. Munns explained, is made by depositing differential coating weights of tin on each side of the steel strip rather than equally on both sides as heretofore. Therefore, containers made from the new type tin plate will have an inside tin

coating of sufficient thickness to withstand the corrosive attack of processed foods and an adequate outside coating to withstand the rigors of processing and atmospheric conditions.

Mr. Munns reported on the new product at the Cleveland Regional Technical Meeting of the American Iron and Steel Institute on November 29. He described it as the result of an important advance in tin plate manufacturing methods.

Mr. Munns reported that an experimental lot of 50/100 differential tin plate was produced at the Weirton tin mill in June, 1949. The designation "50/100" refers to 0.50 pound basis coating on one side and 1.00 pound basis coating on the other side.

The first shipment of the product from Weirton was made March 7, 1951, Mr. Munns said, and up to November 1 more than 200,000 base boxes were produced and shipped. Mr. Munns continued:

"This tonnage in the various coating combinations has been distributed to a number of different customers. Most of it has been of the 50/100 grade for plain packers cans for commercial packs of tomato juice and other tomato products.

"Additional applications for which differential coated tin plate has been shipped are closures, home canning lids, meat and soup containers."

While the lowest commercial limit of tin coatings at the present time is 0.25 pound, the electrolytic lines of the steel industry are capable of lighter coatings down to a flash coating a few millionths of an inch thick, Mr. Munns said.

The savings in tin resulting from use of the 50/100 grade tin plate amount to a half-pound per base box, or 40 percent, Mr. Munns reported.

TABLE OF CONTENTS

	PAGE		PAGE
Convention		Renegotiation	
List of speakers for N.C.A. Convention sessions completed; representatives of PMA, QMC and OPS to speak on controls.....	405	Renegotiation board offices.....	405
Schedule of principal events of the 1952 Convention.....	406	Meetings	
Defense		Good management is reason for low-cost canned foods.....	405
SR 8 to CPR 55, canned spinach Canners must recalculate borrowed ceiling prices.....	405	Supplies	
Direction 2 to M-25.....	407	Tin mills apprehensive over tin supply situation.....	405
SR 17—Capehart adjustment.....	407	Tin savings reported possible with new differential coating.....	408
Holiday food packages.....	407	Statistics	
		1951 pack of lima beans.....	408